What can be expected from TSA, what not?

A Canadian Perspective

Michel Dubreuil
Destination Canada

UNWTO/DG GROW Workshop
Measuring the economic impact of tourism in Europe:
The Tourism Satellite Account (TSA)
Brussel, Belgium
29-30-November 2017
In 1989, the Task Force recommended that Statistics Canada continue work initiated on a Satellite Account for Tourism, with participation from the industry to provide the needed input into the formation of the data and to identify the information priorities.

Canada has since published eight (8) TSAs:
- six (6) at the national level
- two (2) at the regional level

Statistics Canada has initiated work on a third regional TSA for reference year 2015.
Canada has developed 7 of the 10 TSA tables

<table>
<thead>
<tr>
<th>TSA-RMF 2008</th>
<th>Canadian TSA</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Inbound tourism expenditure by products and classes of visitors</td>
<td>Tourism export</td>
</tr>
<tr>
<td>2 Domestic tourism expenditure by products, classes of visitors and types of trips</td>
<td>Domestic tourism demand, including tourism purpose goods.</td>
</tr>
<tr>
<td>3 Outbound tourism expenditure by products and classes of visitors</td>
<td>Tourism import or tourism spending abroad</td>
</tr>
<tr>
<td>4 Internal tourism consumption by products</td>
<td>Total tourism demand or consumption in Canada (export + domestic), including in-kind consumption</td>
</tr>
<tr>
<td>5 Production accounts of tourism industries and other industries at basic price</td>
<td>Supply of commodities, highlighting tourism commodities and industries*</td>
</tr>
<tr>
<td>6 Total domestic supply and internal tourism consumption at purchasers’ prices</td>
<td>Tourism commodity ratios, tourism industry ratios and tourism GDP ratios*</td>
</tr>
<tr>
<td>7 Employment in the tourism industries</td>
<td>Limited to direct tourism employment jobs attributable to tourism demand in tourism and non-tourism industries. Supply side is captured via a Human Resource Module</td>
</tr>
<tr>
<td>8 Tourism gross fixed capital formation of tourism industries and other industries</td>
<td>Not developed</td>
</tr>
<tr>
<td>9 Tourism collective consumption by products and level of government</td>
<td>Not developed</td>
</tr>
<tr>
<td>10 Non-monetary indicators</td>
<td>Available</td>
</tr>
</tbody>
</table>

*Table fully completed, but details not published because of confidentiality
The Canadian TSA provides credible answers to a number of questions

It serves to collect, organize and integrate tourism demand and supply data into a coherent framework

• **Economic Impact:**
  • What is the *contribution of tourism* in the economy?
  • How much *value added* does it generate to the economy?
  • How much employment does it contribute?

• **Structure of the tourism sector**
  • Which industries directly benefit from tourism and by how much?

• **Sources of consumption**
  • What are the main goods and services purchased by visitors and how important are these to the total?

• **Key to its credibility:**
  • Statistics Canada provides an independent, professionally credible and continuing organizational home for the CTSA
CTSA measures the impact and reveals the economic structure of tourism...

**GDP (CAD Million)**
- 9,262
- 5,051
- 5,002
- 6,833
- 7,496

**Jobs (000s)**
- 141.0
- 111.5
- 203.0
- 139.5
- 80.6

**CAD 33.6 B**
1.97% of Canada’s GDP at basic price

**677,300 Jobs**
3.81% of total jobs in the economy

Source: Statistics Canada, Canadian Tourism Satellite Account, 2012
...And it shows which services in the Canadian economy depend on tourism...

Source: National Tourism Indicators, 2017q2
...And it shows the sources of tourism consumption

Tourism Spending by Commodity in 2012 (CAD Billion)

- Passenger transportation: 31.0
- Passenger air transportation: 15.7
- Use of private vehicle: 12.4
- Accommodation: 10.8
- Food and Beverage services: 12.6
- Other tourism commodities: 12.8
- Other spending: 13.1

Tourism spending in Canada in 2012: $80.2 billion

Tourism activities:
- 2% of GDP ($33.6 billion)
- 677,300 jobs (3.8% of total employment)

Source: Statistics Canada, Canadian Tourism Satellite Account, 2012
Limitations of the core CTSA

- **Direct Contribution Only:**
  - Direct impact: Only includes the direct effect to tourism’s contribution to the economy
    - Does not show upstream (indirect) impacts, nor downstream (induced) impacts

- **Exclusions**
  - Does not include all total travel related consumption in the economy
  - Does not yet include *tourism gross capital formation* or *vacation home*

- **Quality of estimates**
  - Dependent on the quality of domestic and international survey data measuring tourism consumption
Challenges

- **Geographic versus commodity aggregation**
  - Detailed results versus confidentiality
  - Accuracy and reliability of estimates for small regions and industries
  - Differences from other “alternative” estimates

- **Costly to develop and sustain**
  - System requires ongoing funding to maintain its timeliness, relevance and integrity

- **Lack of timeliness:**
  - Published 5 years after the end of the reference period
  - Too dated to be relevant for current business decisions

- **Users need more frequent, timely and detailed results**
The CTSA is used as the foundation for more, frequent, timely and detailed analytical modules.
Thank you

Acknowledgements for valuable comments and inputs

Scott Meis
Demi Kotsovos, Statistics Canada
Calum MacDonald, Tourism HR Canada
Appendix

• TSA Published in Canada

• Main CTSA Module Descriptions:
  • National Tourism Indicators
  • Government Revenues Attributable to Tourism
  • Provincial/Territorial CTSA
  • Human Resource Module of the CTSA
  • Tourism Environmental Indicators of Sustainability
## TSA Published in Canada

<table>
<thead>
<tr>
<th>Reference Year</th>
<th>Publication Year</th>
<th>Product</th>
</tr>
</thead>
<tbody>
<tr>
<td>1988</td>
<td>1994</td>
<td>First CTSA</td>
</tr>
<tr>
<td>1996</td>
<td>2002</td>
<td>PTTSA for Canada</td>
</tr>
<tr>
<td>1998</td>
<td>2003</td>
<td>PTTSA for Canada</td>
</tr>
<tr>
<td>2000</td>
<td>2005</td>
<td><strong>CTSA 2000</strong></td>
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<td>2002</td>
<td>2007</td>
<td><strong>CTSA 2002</strong></td>
</tr>
<tr>
<td></td>
<td>2007</td>
<td>Canadian Tourism Satellite Account Handbook</td>
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<tr>
<td>2004</td>
<td>2009</td>
<td><strong>CTSA 2004</strong></td>
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<td>2006</td>
<td>2011</td>
<td>CTSA 2006</td>
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<tr>
<td>2012</td>
<td>2016</td>
<td><strong>CTSA 2012</strong></td>
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</tbody>
</table>
National Tourism Indicators (Quarterly)

Quarterly reports on tourism at national level
- Tourism supply, demand (domestic and international), GDP and employment
- Seasonally adjusted and not adjusted
- Current prices and constant (2007) prices
- Driven primarily by supply-side estimates in SNA
- Provides over 300 time series from 1986 to 2017

“Most Timely” source of tourism information
- Released 90 days after close of last quarter
- Last release – September 28, 2017 for Q2 2017

Shows the economic impact of events on tourism
- e.g. 9/11 and SARS, Vancouver Winter Olympics, 2008 financial crisis and recovery on tourism demand & supply

Funded through partnership by Destination Canada and STC
- Seeking partnerships with sub-national extension
Reveals how much revenue tourism activities generate at Federal, Provincial, Municipal and Aboriginal levels of government:

- Annual estimates, 2000 to 2016
- Details by source of revenue and by level of government
- Split out by industry and commodity
- Showing amounts due to domestic tourism and exports

Funded through partnership agreements between DC and STC
Provides key tourism measures for P/T Tourism supply, demand, GDP and employment

Helps increase our understanding of tourism across Canada

Funded formerly through partnership between DC/CTC and STC

Statistics Canada received special funding to update the PTSA to reference year 2014 to be released in the fall of 2018
Human Resource Module of the TSA

Provides detailed information on tourism employment
- annual measures to 2014
- extended to sub-national level in 2014

Key measures
- number of jobs, hours worked, earnings from employment

Key categories
- type of job, FT/PT status, industry, occupation, age group, gender, "immigrant" status

Strategic tool for training and planning for tourism
- Used by HRT for long term labour supply/demand forecasts for occupations in tourism industries
- Used by tourism businesses in wage determination

Funded through partnership agreements between Tourism HR Canada and Statistics Canada;
- Partnerships with the provinces and territories for sub-national PTHRM
Tourism Environmental Indicators of Sustainability
Pilot project

Linkage of the 2012 CTSA with the Canadian System of Environmental-Economic Accounts

Measure energy use, GHG Emissions and Water Use in tourism and non-Tourism Industries using the Tourism GDP ratio to derive a tourism estimate of environmental footprint

- Extension of the pilot study conducted in 2008
- Support the UNWTO Measuring Sustainable tourism initiative and the development of indicators under the UN Sustainable Development Goals

Objectives: feasibility, plausibility, possibilities, limitations

Pilot funded by Statistics Canada